



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF STATE LANDS AND FORESTRY

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5/001/029

June 23, 1994

CERTIFIED MAIL NO. P 051 448 282

J&J Masonry Supply Co.
c/o Gilbert Jennings
180 North 300 East
St. George, UT 84770

Dear Mr. Jennings:

RE: ML 18847-Volcanic Material, Beaver Co.

On May 17, 1994, the division requested that within 30 days the Lessee furnish additional surety or collateral bonding in the amount of \$5000 per acre of surface disturbance for your proposed or actual mining operations under state mineral lease ML 18847. Lessee has failed to comply with the division's request and is in breach of Article I of the lease agreement.

Lessee is hereby notified pursuant to Section 65A-6-8(1) of the Utah Code that ML 18847 will terminate in 30 days from date of this letter. All rental payments shall be forfeited to the state.

The division demands that upon the termination of ML 18847 you 1) immediately cease all mining of the leased lands, 2) reclaim all surface disturbances to the satisfaction of the division; and, 3) submit all remaining royalty payment for leased substances which have been removed from the property.

Lessee may remedy the breach of Article I and prevent the termination of this lease by furnishing the requested bond prior to 30 days from the date of this letter.

Please contact me if you have any questions in this matter.

Sincerely,

JOHN T. BLAKE
MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Kevin Carter
Wayne Hedberg

